



POLAND

Capital: Warsaw

Population: (2009 Est.)
Poland: 38.48 million
Virginia: 7.88 million

Government Type: Parliamentary Republic

Chief of State: President Bronislaw Komorowski

Head of Government:
Prime Minister Donald Tusk

Languages (Official): Polish

Land Size:
120,728 Square Miles
(Slightly smaller than New Mexico)

Currency:
Polish Zloty (PLN)
1US\$ = 3.48 PLN (www.oanda.com June 2010)



(Poland Map. CIA)

Did You Know?

- Poland joined the European Union (EU) in 2004. The country has yet to adopt the Euro as currency, and continues to use the Polish zloty. Poland intends to adopt the Euro in 2012.
- Due to high education levels, low labor rates, and language aptitudes of its people, Poland has emerged as a leading regional hub for business processing centers, including call centers, back-office hubs, and technical/research centers.
- Poland has been an active member of NATO since 1999, upgrading its armed forces accordingly and participating in joint peacekeeping activities in the region. The U.S. and Poland enjoy a very close relationship which has fostered strategic and commercial cooperation. (CIA World Factbook)
- There are approximately 240 U.S. firms currently operating in Poland. (U.S. Dept. of Commerce)
- Although the state controls about 28% of the economy, the government is expected to privatize many state-run firms in several key industries, including chemicals, shipbuilding and mineral extraction.
- In April 2009, Poland lost its president, top military commanders, and central bank governor in a tragic plane crash in Russia. The late President's identical twin brother is now a candidate in upcoming presidential elections.
- As a result of the global financial crisis, U.S. exports to Poland were down 44% in 2009 and were valued at \$2.30 billion. Poland's main source of imports in 2009 were Germany, Russia, Italy, and the Netherlands. (World Trade Atlas)



POLAND

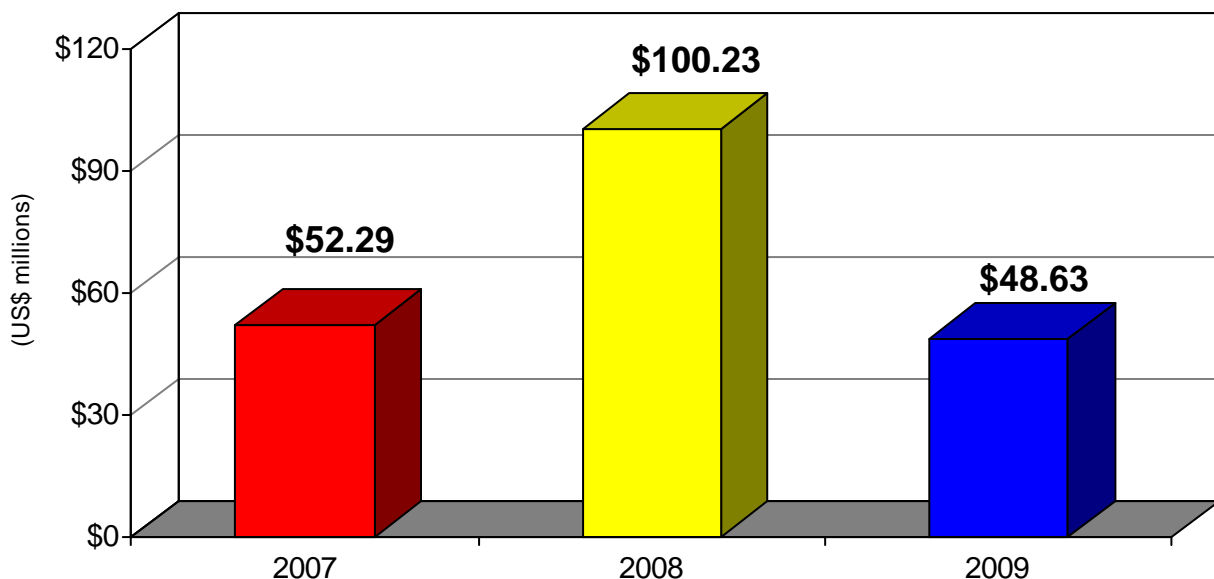
ECONOMIC OUTLOOK

According to the International Monetary Fund (IMF), Poland is the only EU country to have escaped recession in 2009. The IMF attributes this feat to Poland's limited reliance on exports, a well-capitalized and profitable banking system, a flexible exchange rate, and a sound fiscal environment prior to the global financial crisis. For most of the last fifteen years, Poland's economy has experienced positive growth. Even in 2009, despite turmoil in world financial markets, the Polish economy managed to grow an estimated 1.7%. The IMF predicts Poland's economy will expand 2.7% in 2010.

Although one of the less affluent countries in the European Union, Poland stands out as a success story among the transition economies of the former Soviet Union. EU membership and access to EU structural funds have provided a major boost to Poland's economy. If Poland is to continue down its path of success, it will need to address its inefficient commercial court system, rigid labor code, bureaucratic red tape, and persistent low-level corruption that keeps the private sector from performing to its full potential. Rising demands to fund health care, education, and the state pension system present a challenge to the Polish Government's effort to hold the public sector budget deficit under 3% of annual economic output (GDP), a mandatory target for EU members.

(CIA World Factbook)

VIRGINIA EXPORTS TO POLAND



(Source for Graph: World Trade Atlas)



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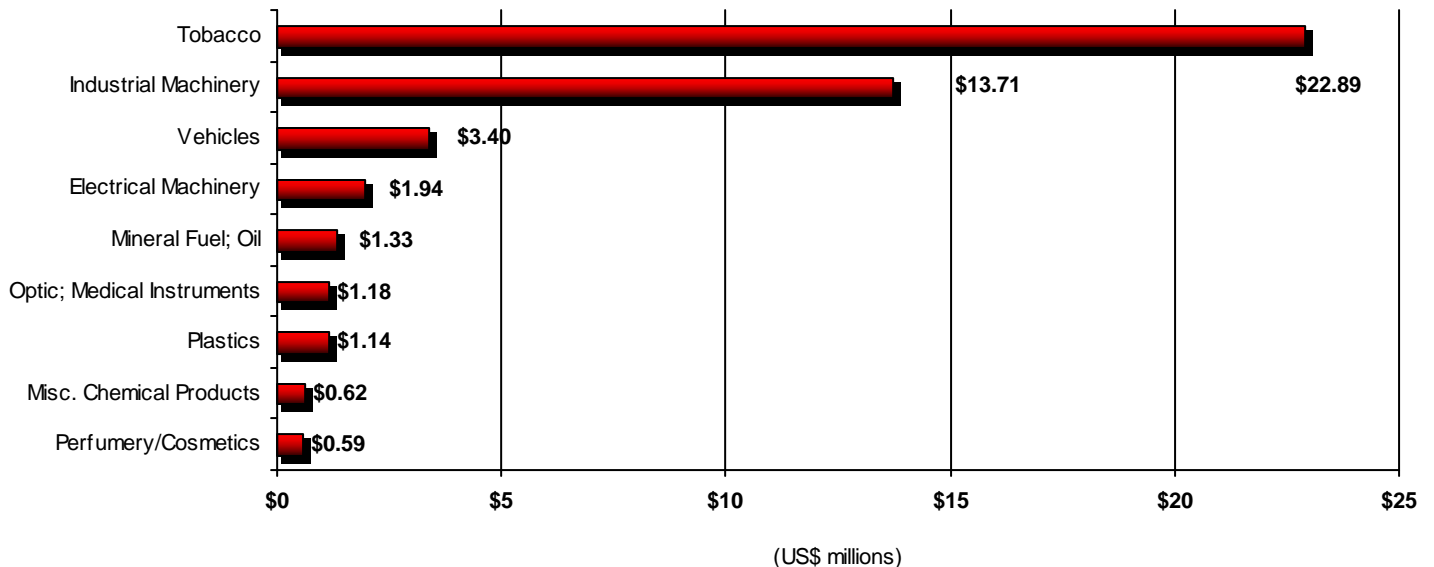
VIRGINIA EXPORTS TO POLAND

The bulk of exports to Poland via Virginia in 2009 was tobacco, specifically loose-leaf (unmanufactured) tobacco, which accounted for almost half of total exports to Poland via Virginia in 2009. Beyond tobacco, other exports to Poland via Virginia that performed well in 2009 included pneumatic hand tools (valued at \$11.68 million), and plastic sticks, rods, and monofil (valued at \$1.05 million). Hand tools and tobacco accounted for almost 75% of Virginia's exports to Poland in 2009. Chain saws and other hedging and cutting tools were the top hand tool exports to Poland via Virginia in 2009.

On a national level, United States' exports to Poland are dominated by military and defense equipment, which grew over 100% in 2009. This is not surprising given Poland's prominent role in NATO and the fact that Poland is now the Western frontier of the European Union. Most American defense exports to Poland performed well in 2009, with strongest sales coming from aircraft/spacecraft (\$297 million), bombs/grenades/cartridges (\$167 million), and parts for aircraft/spacecraft (\$40 million).

Other (non military) exports to Poland from the United States that saw significant growth in 2009 included centrifuges and industrial filters (\$20 million), pumps/compressors/fans (\$16 million), gas turbines (\$14 million), liquid pumps (\$13 million), and other industrial machinery.

VIRGINIA'S TOP EXPORTS TO POLAND-2009



(Source for Text and Graph: World Trade Atlas)



POLAND

VEDP TRADE EVENTS

Group Market Visit to Poland and the Czech Republic: October 4-8.

For more information contact Stephanie Tignor, Global Network Manager, (804) 545-5756, stignor@yesvirginia.org.

Other Services: The VEDP offers a number of export-related services to Virginia businesses, including independent market visits and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters. For more information, please visit our website: www.exportvirginia.org.

ADDITIONAL RESOURCES

- American Chamber of Commerce in Poland: <http://www.amcham.com.pl/>
- Invest in Poland: <http://www.paiz.gov.pl/index/>
- U.S. Dept. of Commerce Commercial Service in Poland: <http://www.buyusa.gov/poland/en/>
- Poland Ministry of Economy: <http://www.mg.gov.pl/English>
- Poland Official Website: <http://www.poland.pl/>
- Poleko Trade Show: <http://poleko.mtp.pl/en>
- Polish Embassy in Washington D.C.: <http://www.polandembassy.org/>
- Wikipedia - Poland: <http://en.wikipedia.org/wiki/Poland>

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